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#### DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-079]

Cast Iron Soil Pipe from the People's Republic of China: Initiation of Less-Than-Fair Value Investigation

AGENCY: Enforcement and Compliance, International Trade Administration, Department of

Commerce.

DATES: Applicable February 15, 2018.

FOR FURTHER INFORMATION CONTACT: Javier Barrientos at (202) 482-2243, AD/CVD Operations, Enforcement & Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, N.W., Washington, D.C. 20230.

#### SUPPLEMENTARY INFORMATION:

### The Petition

On January 26, 2018, the Department of Commerce (Commerce) received an antidumping duty (AD) petition concerning imports of cast iron soil pipe (soil pipe) from the People's Republic of China (China), filed in proper form, on behalf of the Cast Iron Soil Pipe Institute (the petitioner). The petitioner is a trade association, whose members are all domestic producers of soil pipe. The AD petition was accompanied by a countervailing duty (CVD) petition for soil pipe from China.

<sup>&</sup>lt;sup>1</sup> See Letter to the Secretary of Commerce from the petitioner re: Cast Iron Pipe from the People's Republic of China – Petition for the Imposition of Antidumping and Countervailing Duties, dated January 26, 2018 (Petition).

<sup>&</sup>lt;sup>2</sup> See Volume I of the Petition at 2. The individual members of the Cast Iron Soil Pipe Institute are AB&I Foundry, Charlotte Pipe & Foundry, and Tyler Pipe.

<sup>&</sup>lt;sup>3</sup> See Volume III of the Petition.

On January 31, 2018, Commerce requested additional information and clarification of certain areas of the Petition.<sup>4</sup> The petitioner filed responses to these requests on February 2, 2018.<sup>5</sup>

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that imports of soil pipe from China are being, or are likely to be, sold in the United States at less-than-fair value within the meaning of section 731 of the Act, and that, such imports are materially injuring, or threatening material injury to, an industry in the United States. Also, consistent with section 732(b)(1) of the Act, the Petition is accompanied by information reasonably available to the petitioner supporting its allegations.

Commerce finds that the petitioner filed the Petition on behalf of the domestic industry because the petitioner is an interested party as defined in section 771(9)(E) of the Act.

Commerce also finds that the petitioner demonstrated sufficient industry support with respect to the initiation of the AD investigation that the petitioner is requesting.<sup>6</sup>

#### Period of Investigation

Because the Petition was filed on January 26, 2018, pursuant to 19 CFR 351.204(b)(1), the period of investigation (POI) is July 1, 2017, through December 31, 2017.

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<sup>&</sup>lt;sup>4</sup> See Letters from Commerce, "Petition for the Imposition of Antidumping Duties on Imports of Cast Iron Soil Pipe from the People's Republic of China: Supplemental Questions," dated January 31, 2018, and "Petition for the Imposition of Antidumping Duties on Imports of Cast Iron Soil Pipe from the People's Republic of China: General Issues Supplemental Questions," dated January 31, 2018.

<sup>&</sup>lt;sup>5</sup> See Letters from the petitioner, "Cast Iron Soil Pipe from the People's Republic of China: Response to Supplemental Questions – General Issues," dated February 2, 2018 (General Issues Supplement), and "Cast Iron Soil Pipe from the People's Republic of China: Response to Supplemental Questions – Antidumping Duties," dated February 2, 2018 (AD Supplemental Response).

<sup>&</sup>lt;sup>6</sup> See "Determination of Industry Support for the Petition" section, below.

## Scope of the Investigation

The product covered by this investigation is soil pipe from China. For a full description of the scope of this investigation, see the "Scope of the Investigation," in the Appendix to this notice.

### Comments on the Scope of the Investigation

On February 2, 2018, in response to a question from Commerce, the petitioner filed a revision to the scope language.<sup>7</sup>

As discussed in the preamble to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (i.e., scope). Commerce will consider all comments received from interested parties and, if necessary, will consult with the interested parties prior to the issuance of the preliminary determination. If scope comments include factual information, 9 all such factual information should be limited to public information. In order to facilitate preparation of its questionnaire, Commerce requests all interested parties to submit such comments by 5:00 PM Eastern Time (ET) on Wednesday, March 7, 2018, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, must be filed by 5:00 PM ET on Monday, March 19, 2018, which is the next business day after the tenth calendar day from the deadline for initial comments. 10 All such comments must be filed on the record of each of the concurrent AD and CVD investigations.

Commerce requests that any factual information the parties consider relevant to the scope of the investigation be submitted during this time period. However, if a party subsequently finds

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<sup>&</sup>lt;sup>7</sup> See General Issues Supplement at Exhibit 1.

<sup>&</sup>lt;sup>8</sup> See Antidumping Duties; Countervailing Duties: Final Rule, 62 FR 27296, 27323 (May 19, 1997).

<sup>9</sup> See 19 CFR 351.102(b)(21).

<sup>&</sup>lt;sup>10</sup> See 19 CFR 351.303(b).

that additional factual information pertaining to the scope of the investigation may be relevant, the party may contact Commerce and request permission to submit the additional information. As stated above, all such comments must be filed on the record of the concurrent AD and CVD investigations.

## Filing Requirements

All submissions to Commerce must be filed electronically using Enforcement & Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS).<sup>11</sup> An electronically-filed document must be received successfully in its entirety by the time and date it is due. Documents excepted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with Enforcement & Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 1401 Constitution Avenue, N.W., Washington, D.C. 20230, and stamped with the date and time of receipt by the applicable deadlines.

#### Comments on Product Characteristics for AD Questionnaires

Commerce requests comments from interested parties regarding the appropriate physical characteristics of soil pipe to be reported in response to Commerce's AD questionnaire. This information will be used to identify the key physical characteristics of the merchandise under consideration in order to report the relevant factors and costs of production accurately as well as to develop appropriate product-comparison criteria.

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<sup>&</sup>lt;sup>11</sup> See 19 CFR 351.303 (for general filing requirements); see also Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures, 76 FR 39263 (July 6, 2011), for details of Commerce's electronic filing requirements, which went into effect on August 5, 2011. Information on help using ACCESS can be found at <a href="https://access.trade.gov/help/Handbook%20on%20Electronic%20Filling%20Procedures.pdf">https://access.trade.gov/help/Handbook%20on%20Electronic%20Filling%20Procedures.pdf</a>.

Interested parties will have the opportunity to provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics.

Specifically, they may provide comments as to which characteristics are appropriate to use as: 1) general product characteristics; and 2) product-comparison criteria. We note that it is not always appropriate to use all product characteristics as product-comparison criteria. We base product-comparison criteria on meaningful commercial differences among products. In other words, although there may be some physical product characteristics used by manufacturers to describe soil pipe, it may be that only a select few product characteristics take into account commercially-meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in matching products. Generally, Commerce attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the AD questionnaire, all comments must be filed by 5:00 p.m. ET on March 7, 2018. Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on March 19, 2018. All comments and submissions to Commerce must be filed electronically using ACCESS, as explained above, on the record of the less-than-fair value investigation.

#### Determination of Industry Support for the Petition

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or

opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the "industry."

Section 771(4)(A) of the Act defines the "industry" as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product, <sup>12</sup> they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.<sup>13</sup>

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation" (*i.e.*, the class or kind of merchandise

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<sup>&</sup>lt;sup>12</sup> See Section 771(10) of the Act.

<sup>&</sup>lt;sup>13</sup> See USEC, Inc. v. United States, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing Algoma Steel Corp., Ltd. v. United States, 688 F. Supp. 639, 644 (CIT 1988), aff'd 865 F.2d 240 (Fed. Cir. 1989)).

to be investigated, which normally will be the scope as defined in a petition).

With regard to the domestic like product, the petitioner does not offer a definition of the domestic like product distinct from the scope of the Petition. Based on our analysis of the information submitted on the record, we have determined that soil pipe, as defined in the scope, constitutes a single domestic like product, and we have analyzed industry support in terms of that domestic like product.<sup>14</sup>

In determining whether the petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petition and the General Issues Supplement with reference to the domestic like product as defined in the "Scope of the Investigation," in the Appendix to this notice. The petitioner provided the 2017 production of the domestic like product by its members.<sup>15</sup> The petitioner states that its members are the only known producers of soil pipe in the United States; therefore, the Petition is supported by 100 percent of the U.S. industry.<sup>16</sup>

Our review of the data provided in the Petition, General Issues Supplement, and other information readily available to Commerce indicates that the petitioner has established industry support for the Petition.<sup>17</sup> First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry

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<sup>&</sup>lt;sup>14</sup> For a discussion of the domestic like product analysis in this case, *see* Antidumping Duty Investigation Initiation Checklist: Cast Iron Soil Pipe from the People's Republic of China (Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Cast Iron Soil Pipe from the People's Republic of China (Attachment II). This checklist is dated concurrently with this notice and on file electronically *via* ACCESS. Access to documents filed *via* ACCESS is also available in the Central Records Unit, Room B8024 of the main Department of Commerce building.

<sup>&</sup>lt;sup>15</sup> See Volume I of the Petition at 4.

<sup>&</sup>lt;sup>16</sup> *Id.* at 3-4 and Exhibit I-1.

<sup>&</sup>lt;sup>17</sup> See Initiation Checklist at Attachment II.

support (*e.g.*, polling).<sup>18</sup> Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.<sup>19</sup> Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition.<sup>20</sup> Accordingly, Commerce determines that the Petition was filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

Commerce finds that the petitioner filed the Petition on behalf of the domestic industry because it is an interested party as defined in section 771(9)(E) of the Act, and it has demonstrated sufficient industry support with respect to the AD investigation that it is requesting that Commerce initiate.<sup>21</sup>

### Allegations and Evidence of Material Injury and Causation

The petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (NV). In addition, the petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act. <sup>22</sup>

The petitioner contends that the industry's injured condition is illustrated by a significant and increasing volume of subject imports; reduced market share and increasing market share of

<sup>&</sup>lt;sup>18</sup> See section 732(c)(4)(D) of the Act; see also Initiation Checklist at Attachment II.

<sup>19</sup> See Initiation Checklist at Attachment II.

<sup>&</sup>lt;sup>20</sup> *Id*.

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<sup>&</sup>lt;sup>22</sup> See Volume I of the Petition at 13-14 and Exhibit I-7.

subject imports; underselling and price depression; lost sales and revenues; and negative impact on financial results, including total revenue, gross profits, operating income, and net income.<sup>23</sup> We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.<sup>24</sup>

### Allegations of Sales at Less-Than-Fair Value

The following is a description of the allegations of sales at less-than-fair value upon which Commerce based its decision to initiate the AD investigation of imports of soil pipe from China. The sources of data for the deductions and adjustments relating to U.S. price and NV are discussed in greater detail in the Initiation Checklist.<sup>25</sup>

### Export Price

The petitioner based the U.S. price on export price (EP) using average unit values (AUVs) of publicly available import data.<sup>26</sup> The petitioner made deductions to U.S. price for foreign inland freight and brokerage and handling.<sup>27</sup>

#### Normal Value

Commerce considers China to be a non-market economy (NME) country.<sup>28</sup> In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by Commerce. The presumption of NME status for China has not been

<sup>&</sup>lt;sup>23</sup> See Volume I of the Petition at 14-19 and Exhibits I-7, I-9 and I-10; see also General Issues Supplement at 1.

<sup>&</sup>lt;sup>24</sup> See Initiation Checklist at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Cast Iron Soil Pipe from the People's Republic of China. <sup>25</sup> *Id*. at 6-9.

<sup>&</sup>lt;sup>26</sup> See Volume II of the Petition at 3 and Exhibit II-4.

<sup>&</sup>lt;sup>27</sup> *Id.* at 3-4 and Exhibits II-5 and 6; *see* also AD Supplemental Response at 4-6 and Exhibits 4-6.

<sup>&</sup>lt;sup>28</sup> See Antidumping Duty Investigation of Certain Aluminum Foil from the People's Republic of China: Affirmative Preliminary Determination of Sales at Less-Than-Fair-Value and Postponement of Final Determination, 82 FR 50858, 50871 (November 2, 2017), and accompanying decision memorandum, China's Status as a Non-Market Economy; see also Volume II of the Petition at 1.

revoked by Commerce and, therefore, remains in effect for purposes of the initiation of this investigation. Accordingly, the NV of the product is appropriately based on factors of production (FOPs) valued in a surrogate market economy country, in accordance with section 773(c) of the Act.

The petitioner argues that Brazil is an appropriate surrogate country for China because it is a market economy that is at a level of economic development comparable to that of China, it is a significant producer of comparable merchandise, and public information from Brazil is available to value all FOPs.<sup>29</sup> Based on the information provided by the petitioner, we determine that it is appropriate to use Brazil as a surrogate country for China. Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs no later than 30 days before the scheduled date of the preliminary determination.

## Factors of Production

Because information regarding the volume of inputs consumed by Chinese producers/exporters is not reasonably available, the petitioner based the FOPs for materials, labor, and energy on the production experience of one of its member companies.<sup>30</sup> The petitioner maintains that the production process for soil pipe is similar regardless of whether the product is produced in the United States or in China.<sup>31</sup> The petitioner valued the estimated FOPs using surrogate values from Brazil.

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 $<sup>^{29}</sup>$  See Volume II of the Petition at 2-3.  $^{30}$  Id. at 5-6 and Exhibit II-7. See also AD Supplemental Response at 3 and Exhibit 2.

## Valuation of Raw Materials

The petitioner valued direct materials based on publicly-available import data for Brazil obtained from the Global Trade Atlas (GTA) for the period July 2017 through December 2017.32 The petitioner excluded all import data from countries previously determined by Commerce to maintain export subsidies and countries previously determined by Commerce to be NME countries.<sup>33</sup>

## Valuation of Labor

The petitioner relied on June through November 2017 data published by the Instituto Brasilero de Geografia e Estatistica for wage rates in manufacturing.<sup>34</sup>

## Valuation of Energy

The petitioner valued natural gas and coke using GTA import data.<sup>35</sup> The petitioner valued electricity using POI values reported in Brazil's Ministry of Mines and Energy Monthly Energy Bulletin.<sup>36</sup>

Valuation of Factory Overhead, Selling, General and Administrative Expenses, and Profit

The petitioner calculated ratios for overhead, selling, general, and administrative expenses, and profit based on the 2015 consolidated financial statements of Tupy SA, a cast iron products producer in Brazil.<sup>37</sup>

<sup>&</sup>lt;sup>32</sup> See Volume II of the Petition at 5-6 and Exhibit II-9.

<sup>&</sup>lt;sup>34</sup> *Id.* at 7 and Exhibit II-12.

<sup>&</sup>lt;sup>35</sup> *Id.* at 7 and Exhibit II-9.

<sup>&</sup>lt;sup>36</sup> *Id.* at 7 and Exhibit II-11.

<sup>&</sup>lt;sup>37</sup> *Id.* at 7-8 and Exhibit II-13.

## Fair Value Comparisons

Based on the data provided by the petitioner, there is reason to believe that imports of soil pipe from China are being, or are likely to be, sold in the United States at less-than-fair value. Based on comparisons of EP to NV, in accordance with section 773(c) of the Act, the estimated dumping margin for soil pipe from China is 93.32 percent.<sup>38</sup>

# Initiation of Less-Than-Fair Value Investigation

Based upon the examination of the AD Petition on soil pipe from China, we find that the Petition meets the requirements of section 732 of the Act. Therefore, we are initiating an AD investigation to determine whether imports of soil pipe from China are being, or are likely to be, sold in the United States at less-than-fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determination no later than 140 days after the date of this initiation.

Under the Trade Preferences Extension Act of 2015, numerous amendments to the AD and CVD laws were made.<sup>39</sup> The 2015 law does not specify dates of application for those amendments. On August 6, 2015, Commerce published an interpretative rule, in which it announced the applicability dates for each amendment to the Act, except for amendments contained in section 771(7) of the Act, which relate to determinations of material injury by the ITC.<sup>40</sup> The amendments to sections 771(15), 773, 776, and 782 of the Act are applicable to all determinations made on or after August 6, 2015, and, therefore, apply to this AD investigation.<sup>41</sup>

<sup>&</sup>lt;sup>38</sup> See AD Supplemental Response at 7 and Exhibit 6.

<sup>&</sup>lt;sup>39</sup> See Trade Preferences Extension Act of 2015, Pub. L. No. 114-27, 129 Stat. 362 (2015).

<sup>&</sup>lt;sup>40</sup> See Dates of Application of Amendments to the Antidumping and Countervailing Duty Laws Made by the Trade Preferences Extension Act of 2015, 80 FR 46793 (August 6, 2015).

<sup>&</sup>lt;sup>41</sup> *Id.* at 46794-95. The 2015 amendments may be found at <a href="https://www.congress.gov/bill/114th-congress/house-bill/1295/text/pl">https://www.congress.gov/bill/114th-congress/house-bill/1295/text/pl</a>.

## Respondent Selection

The petitioner named numerous companies as producers/exporters of soil pipe from China. <sup>42</sup> In accordance with our standard practice for respondent selection in cases involving NME countries, we intend to issue quantity and value (Q&V) questionnaires to producers/exporters of merchandise subject to this investigation. In the event Commerce determines that the number of companies is large and it cannot individually examine each company, where appropriate, Commerce intends to select mandatory respondents based on the responses received. <sup>43</sup> For this investigation, Commerce will request Q&V information from known exporters and producers identified, with complete contact information, in the Petition. In addition, Commerce will post the Q&V questionnaire along with filing instructions on the Enforcement & Compliance website at <a href="http://www.trade.gov/enforcement/news.asp">http://www.trade.gov/enforcement/news.asp</a>.

Exporters/producers of soil pipe from China that do not receive Q&V questionnaires by mail may still submit a response to the Q&V questionnaire and can obtain a copy from the Enforcement & Compliance website. The Q&V response must be submitted by all Chinese exporters/producers no later than February 26, 2018. All Q&V responses must be filed electronically *via* ACCESS.

#### Separate Rates

In order to obtain separate rate status in an NME investigation, exporters and producers must submit a separate-rate application.<sup>44</sup> The specific requirements for submitting a separate-rate application are outlined in detail in the application itself, which is available on Commerce's

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<sup>&</sup>lt;sup>42</sup> See Volume I of the Petition at Exhibit I-6.

<sup>&</sup>lt;sup>43</sup> See, e.g., Carton-Closing Staples from the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation, 82 FR 19351 (April 27, 2017).

<sup>&</sup>lt;sup>44</sup> See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation involving Non-Market Economy Countries (April 5, 2005), available at <a href="http://enforcement.trade.gov/policy/bull05-1.pdf">http://enforcement.trade.gov/policy/bull05-1.pdf</a> (Policy Bulletin 05.1).

website at http://enforcement.trade.gov/nme/nme-sep-rate.html. The separate-rate application will be due 30 days after publication of this initiation notice. Exporters and producers who submit a separate-rate application and are selected as mandatory respondents will be eligible for consideration for separate-rate status only if they respond to all parts of Commerce's AD questionnaire as mandatory respondents. Commerce requires that respondents submit a response to both the Q&V questionnaire and the separate-rate application by their respective deadlines in order to receive consideration for separate-rate status.

#### Use of Combination Rates

Commerce will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME Investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of "combination rates" because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation. 46

## Distribution of Copies of the Petition

<sup>&</sup>lt;sup>45</sup> Although in past investigations this deadline was 60 days, consistent with 19 CFR 351.301(a), which states that "the Secretary may request any person to submit factual information at any time during a proceeding," this deadline is now 30 days.

<sup>&</sup>lt;sup>46</sup> See Policy Bulletin 05.1 at 6 (emphasis added).

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), a copy of the public version of the Petition has been provided to the Government of China (GOC) via ACCESS. Because of the large number of producers/exporters identified in the Petition.<sup>47</sup> Commerce considers the service of the public version of the Petition to the foreign producers/exporters satisfied by delivery of the public version to the GOC, consistent with 19 CFR 351.203(c)(2).

#### ITC Notification

We will notify the ITC of our initiation, as required by section 732(d) of the Act. Preliminary Determination by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petition was filed, whether there is a reasonable indication that imports of soil pipe from China are materially injuring, or threatening material injury to, a U.S. industry. <sup>48</sup> A negative ITC determination will result in the investigation being terminated;<sup>49</sup> otherwise, this investigation will proceed according to statutory and regulatory time limits.

#### Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i) through (iv). The regulation requires any party, when submitting factual information, to specify under which subsection of 19

 <sup>47</sup> See Volume I of the Petition at Exhibit I-4.
 48 See section 733(a) of the Act.

CFR 351.102(b)(21) the information is being submitted and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct. Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Parties are advised to review the regulations prior to submitting factual information in this investigation.

#### Extension of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 AM on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in the letter or memorandum setting forth the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, standalone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Review Extension of Time Limits; Final Rule, 78 FR 57790 (September 20, 2013), available at http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm, prior to submitting factual information in this investigation.

### Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to

the accuracy and completeness of that information.<sup>50</sup> Parties must use the certification formats

provided in 19 CFR 351.303(g). 51, 52 Commerce intends to reject factual submissions if the

submitting party does not comply with the applicable revised certification requirements.

Notification to Interested Parties

Interested parties must submit applications for disclosure under Administrative Protective

Order (APO) in accordance with 19 CFR 351.305. On January 22, 2008, Commerce published

Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO

Procedures, 73 FR 3634 (January 22, 2008). Parties wishing to participate in this investigation

should ensure that they meet the requirements of these procedures (e.g., the filing of letters of

appearance as discussed at 19 CFR 351.103(d)).

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act.

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Christian Marsh

Deputy Assistant Secretary

for Enforcement and Compliance

February 15, 2018

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Date

<sup>50</sup> See section 782(b) of the Act.

<sup>51</sup> See also Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings, 78 FR 42678 (July 17, 2013) (Final Rule). Answers to frequently asked questions regarding the Final Rule are available at http://enforcement.trade.gov/tlei/notices/factual info final rule FAQ 07172013.pdf.

<sup>52</sup> See Certification of Factual Information To Import Administration During Antidumping and Countervailing Duty Proceedings, 78 FR 42678 (July 17, 2013) (Final Rule); see also frequently asked questions regarding the Final Rule, available at http://enforcement.trade.gov/tlei/notices/factual info final rule FA O 07172013.pdf.

*Rule*, available at <a href="http://enforcement.trade.gov/tlet/notices/factual-info-final-rule-FAQ-0/17/2013.pdf">http://enforcement.trade.gov/tlet/notices/factual-info-final-rule-FAQ-0/17/2013.pdf</a>

17

## **Appendix**

## **Scope of the Investigation**

The merchandise covered by this investigation is cast iron soil pipe, whether finished or unfinished, regardless of industry or proprietary specifications, and regardless of wall thickness, length, diameter, surface finish, end finish, or stenciling. The scope of this investigation includes, but is not limited to, both hubless and hub and spigot cast iron soil pipe. Cast iron soil pipe is nonmalleable iron pipe of various designs and sizes. Cast iron soil pipe is generally distinguished from other types of nonmalleable cast iron pipe by the manner in which it is connected to cast iron soil pipe fittings.

Cast iron soil pipe is classified into two major types – hubless and hub and spigot. Hubless cast iron soil pipe is manufactured without a hub, generally in compliance with Cast Iron Soil Pipe Institute (CISPI) specification 301 and/or American Society for Testing and Materials (ASTM) specification A888, including any revisions to those specifications. Hub and spigot pipe has one or more hubs into which the spigot (plain end) of a fitting is inserted. All pipe meeting the physical description set forth above is covered by the scope of this investigation, whether or not produced according to a particular standard.

The subject imports are currently classified in subheading 7303.00.0030 of the Harmonized Tariff Schedule of the United States (HTSUS): Cast iron soil pipe. The HTSUS subheading and specifications are provided for convenience and customs purposes only; the written description of the scope of this investigation is dispositive.

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